

March 14, 2006

Chairman Mike Nofs  
Honorable Members of the House Energy and  
Technology Committee  
N0996 House Office Building  
P.O. Box 30014  
Lansing, MI 48909-7514

Dear Chairman Mike Nofs:

Commerce Energy, Inc. is a licensed alternative electric supplier in the State of Michigan (AES License # U-12303). In 2005, Commerce Energy served over 4,000 small commercial customers in Michigan.

Commerce Energy is writing this letter in support of the House Bill 5811, as introduced on March 1, 2006. The bill would amend the Home Solicitation Sales Act to provide an exemption for alternative gas or electric suppliers from a section that requires a buyer's signature to a written agreement or offer to purchase.

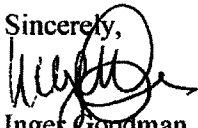
It should be noted that the Michigan Public Service Commission (MPSC) and the legislature already have written rules specific to the competitive energy market in place that allow for telemarketing to potential customers. There are rules and outline requirements to ensure that customers make a knowing decision. Substantial penalties against the supplier apply, should they be found guilty of deceptive marketing practices, slamming or cramming.

As an alternative to the wet signature method, Commerce Energy use an independent third-party verifier that makes a date and time stamped audio recording before the completion of the enrollment with the potential customer. Per the competition rules, this method is allowed and used by Commerce Energy in the states of Ohio, Pennsylvania, California, Maryland, New York, New Jersey, Texas, and Michigan.

In addition Commerce Energy mails each new customer a written terms of service in accordance with the rules. It has been our experience that this type of confirmation method successfully protects both the seller and the buyer from fraudulent activities.

Commerce Energy appreciates the opportunity to give our opinion in this matter. Should you have any questions or need additional information, please contact me at 714-259-2508.

Sincerely,



Inger Goodman  
Midwest Market Manager